Volunteer Supported Service Models within the NDIS context through the lens of the Interchange Host Program

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Disclaimer

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1. Introduction

1.1 Background

The National Disability Insurance Scheme is being implemented in trial sites around Australia. It is based on individualised funding to enable people with a disability to exercise choice and control in the selection and use of their supports. The scheme is based on three tiers: Tier 1 targets everyone in Australia; Tier 2 provides general information about support options and generic services; and Tier 3 provides individualised planning and funding for people who require specialised supports. The National Disability Insurance Agency (NDIA) has developed a list of 32 clusters and definitions of the most commonly used supports, and the associated benchmark pricing for Victoria for Tier 3. It is yet to be determined how some current service types, such as those that have been block funded, or are output based (non-individual), such as information and advisory services, specialist associations, or volunteer coordination can be incorporated within an individualised funding approach.

Volunteers make a significant contribution to society and the economy. Volunteers were estimated to provide a volume of work equivalent to 14 per cent of paid jobs in Victoria, with the value of volunteering across all sectors estimated at over $16 billion to the Victorian economy.\(^1\) Of this, formal or organised volunteering through organisations is estimated at around 40 per cent of volunteer time, with the remainder provided through informal volunteering arrangements.\(^2\) Women are more likely to volunteer than men however, on average, men provide more organised volunteer hours per year. In the context of Interchange services, volunteers make a key contribution to the resilience and capacity of children with a disability, families and communities, and assist to reduce the cost of support.

Interchange provides a broad range of services to support children and young adults with a disability and their families. The Interchange Host Program matches a child or young person with a host volunteer to provide care and support on a regular basis. The willingness of host families to commit on an unpaid voluntary basis to providing regular support, is at the core of the relationship and differentiates it from fee-for-service supports.

Funding from the Commonwealth and State Governments through the Home and Community Care (HACC) program enables Interchange to employ volunteer coordinators to manage the recruitment, screening, assessment, selection, training, matching, support and monitoring of volunteer hosts; and ensure the ongoing quality of the program. Fourteen Interchange service provider organisations in Victoria, and Interchange in South Australia and in Queensland, provide multiple new matches and support existing matches, providing an essential service to children and young adults with a disability and their families. All Interchange providers are independently accredited by an external formal accreditation body and registered as a disability provider in the relevant jurisdiction.

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\(^2\) Informal, unpaid help that is not through an organisation.
1.2 Project aim and scope

In June 2014 the Victorian Department of Health provided funding to Interchange Incorporated to consider how volunteer coordination, through the lens of the Interchange Host Program, can be integrated within the NDIS context.

The aims of the project were to:

- develop an evidence-based business case to define and describe the components required to establish and maintain volunteer supported services by using the example of the Interchange Host Program
- describe the funding and costing options for how a volunteer supported service model such as the Interchange Host Program can be incorporated into the NDIS structure.

The scope of the project was limited to the Interchange Host Program. While some learnings arising from the project may be of relevance to other volunteer supported service models, other examples of volunteer supported service models were not within the scope of this project.

The scope of the project did not include evaluation of the Interchange Host Program, consideration of statewide funding or targets, financial analysis such as cost benefit analysis, return on investment, best value considerations or projections of future demand. Whilst these items would be informative they were not within the scope or scale of this project.

1.3 Project governance

A project working group was convened to provide expert input and guidance to the project. Membership includes:

- Interchange Incorporated
- Moira (Melbourne)
- Gateways Support Services (Barwon region of Victoria)
- Interchange Loddon Mallee (Loddon Mallee region of Victoria)
- Pinarc Disability Support (Ballarat)
- Interchange South Australia (statewide).

In addition, liaison occurred throughout the project with key stakeholders from the following government agencies:

- Victorian Department of Health, HACC program
- Victorian Department of Human Services
- National Disability Insurance Agency (NDIA) – Barwon Region and the Australian Capital Territory.

HDG Consulting Group were contracted to prepare the business case.

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3 Interchange Incorporated acts as the central coordinator to organisations delivering Interchange programs.
2. Interchange

2.1 About Interchange

**History**

Interchange was established in 1980 by a parent of a child with an intellectual disability at the time when there were comparably few services tailored to provide individual support to families in a community-based, inclusive manner.

The program was designed to enable the family to benefit from the supportive additional care from a host family and thus strengthen the family’s capacity to sustain their care role and provide a new social network and enjoyable experience for the person with a disability.

The statewide organisation, Interchange became incorporated in 1984 with the mandate to set and maintain minimum service objectives, resource new and developing services, coordinate publicity and make the service available to families who wished to benefit from volunteer host support.

In response to community demand, Interchange extended from its original inner east service (now Interchange Inner East Inc.) to delivery by 13 service providers in Victoria, plus statewide providers in South Australia and most recently, Queensland.

**Interchange Services in 2014**

Interchange programs provide a wide range of volunteer assisted services to support families with a child or young person with a disability. Whilst the Interchange Host Program and the Interchange Recreation Program are the core services, services have evolved over time in response to demand and requests from families. Interchange services now include a broad range of approaches that offer peer support, social skills, camps, friendship groups, sibling activities, parent support groups, family activities, events and a wide range of other services and supports. Programs vary across regions and are delivered according to local consumer demand and each Interchange agency.

2.2 The Interchange Host Program - Overview

The Interchange Host Program matches a child or young person with a host volunteer who has care of the child on a regular basis, typically one weekend a month, and arrangements can be flexible. Host volunteers can be families, couples or single with or without children.

Interchange providers conduct a comprehensive volunteer screening and assessment process to ensure child safety, manage risk and determine the suitability of prospective host volunteers. This underpins the consistently high quality of the service and success and longevity of matches.

The relationship which develops is based upon reciprocity, mutuality trust, values and sharing common interests.

The relationship between the child and their family with the Interchange host family is based on mutual respect, friendship, trust and enjoyment. Interchange volunteers offer their time and good will and view their input as *making a difference in another person’s life*. 
The Interchange Host Program is reported as the most requested of all Interchange programs. It is highly prized and highly valued by those families who are able to be matched with host families. The Interchange Host Program continues to experience a high level of demand and in 2014 the request for host families has significantly outnumbered available volunteer hosts. This is due to the flexible, individualised, self-defined, inclusive, community-based nature of the program that typically supports people with extensive and complex needs.

The case vignettes throughout this report illustrate the range of tangible and intangible benefits and positive outcomes for a child and their family as a result of the support and relationship with a host family.

Host families also benefit from the arrangement, through providing a culture of acceptance and diversity within their own family. In addition, there are multiple examples whereby:

- children from host families, who are now adults, have proceeded to become hosts for children with disabilities from other families
- children from host families, who are now adults, have as a result of their involvement with a child with a disability, proceeded to a career within the disability support sector, thus contributing to the workforce capacity of the sector.

**Figure 1: Supporting Carl**

<table>
<thead>
<tr>
<th>Supporting Carl</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individual</strong></td>
</tr>
<tr>
<td>Carl has a range of support needs, including communication, personal care, physical care, nutrition, social and everyday interactions. His family lives on a farm in a rural area, however one parent has moved with him into the local town to access support services. At the age of five, and following unsatisfactory experiences with respite care, the family was referred to Interchange. They were seeking an individualised service, where the person could be ‘trusted’ and understood their needs.</td>
</tr>
<tr>
<td><strong>Support</strong></td>
</tr>
<tr>
<td>A host family was identified. Carls parents were satisfied that as registered nurses the host family parents could be trusted and had the knowledge and skills appropriate to Carl's support needs. The host family parents received additional training in relation to manual handling and peg feeding for Carl. They had three children of their own to provide friendship, interaction and a social network with Carl.</td>
</tr>
<tr>
<td><strong>Outcomes</strong></td>
</tr>
<tr>
<td>Carl is included in all host family activities, attends church with them, social and recreational activities such as camps, visiting relatives and family celebrations. The host family has continued to support Carl through changed family circumstances as Carls’ parents separated and re-partnered, and contributed to stability during vulnerable periods when Carl was at risk of out-of-home care. Regular support from the Interchange coordinator for Carl's family and the host family, and collaboration with a range of service providers, has supported the long term viability and success of the arrangement. The host family has provided one weekend per month for the past 18 years and Carl is now considered part of their extended family.</td>
</tr>
</tbody>
</table>
Benefits

- Social and community inclusion, extended family supports, recreation, reduced vulnerability, friendship, enjoyment.
- Family stability, capacity, sustaining parenting and caring role.
- Contribution towards healthy learning and development through accessible, family-centred, continuous, comprehensive, coordinated, compassionate and effective care.\(^4\)
- Economic benefits based on DHS current respite unit cost of $40/hr @48 hrs per month, equivalent to approximately $23,000 per year (not accounting for active nights) for 18 years or $414,000.

Whilst not all matches are of this duration, the flexibility and individuality of each arrangement is self-defined between the child, family and host family, with the support and facilitation of Interchange as required.

**Figure 2: Supporting Pho**

<table>
<thead>
<tr>
<th>Supporting Pho</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Family life</strong></td>
</tr>
<tr>
<td><strong>Support</strong></td>
</tr>
<tr>
<td><strong>Relationships</strong></td>
</tr>
<tr>
<td><strong>Outcomes</strong></td>
</tr>
</tbody>
</table>

Having five children and one with a disability makes for a busy dynamic family. My fourth daughter is aged seven, a bundle of fun and a real Miss Congeniality. She is a joy to be around, but because she has a disability it can be quite challenging. Taking time out or respite from her is difficult as a parent you feel a sense of responsibility to be the sole provider for your child. At the same time I have four other children that need my attention.

Interchange enables me to have a choice. It’s not like having a respite worker, who is often a stranger, coming to your house to provide care as is often the case with formal respite arrangements. This (volunteer support) arrangement takes the guilt away from me - we know she is in good hands and more importantly having fun. My other children benefit too, we can all relax and just be ourselves.

A special relationship has developed not just between [the host] and my daughter but with our whole family. She goes for about three hours every fortnight with her host and they just have a ball together. The one-on-one time together is really special and she always looks forward to seeing her. We are so lucky to have found her - life is so much fun with her. The relationship just continues to grow. A friend for life!

2.3 The Interchange Host Program - Key elements

Interchange Inc. provides a central coordinating role and an integrated approach to marketing and brand awareness (such as television and radio advertising or publications). It supports consistency of branding, key program policies, volunteer engagement and processes, and continuity in the service model across provider agencies.

The Interchange Host Program is based on a service model with the following key elements:

- enquiry
- screening and assessment
- matching (including support during any waiting process)
- support
- review
- exit.

Interchange provider policies and procedures reflect these key elements and the responsibility to keep children safe, manage risk, and deliver quality services.

The key elements underpinning the service model are shown in the flow chart below and further described on the following pages.

Whilst it is illustrated as a linear process, in practice, some elements occur in tandem or concurrently.
Interchange Host Program

**Child and family - matching and support process**

- **Intake**
  - Receive enquiry
  - Enter into database
  - Send information package
  - Follow up / discuss options
  - Discuss at intake meeting
  - Open and update file

- **Assessment**
  - Organise assessment visit
  - Assessment home visit
  - Meet with child / family
  - Conduct assessment
  - Consider OHS, risk management, safety etc
  - Document assessment
  - Document support plan / participation plan

- **Matching**
  - Source suitable match
  - Undertake additional specific recruitment (if suitable match not available)
  - Discuss match at case meeting
  - Contact family, organise and confirm first visit by volunteer
  - Support the first visit
  - Follow up / communication after visit
  - Update files
  - Organise first independent visit
  - Follow up / communication after first independent visit
  - Confirm ongoing arrangements

- **Support Year 1**
  - Contact - months
  - 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12

- **Annual review Year 1**
  - Organise review
  - Meet with child / family
  - Document review outcomes

- **Support Year 2**
  - Contact - each quarter
  - 1, 2, 3, 4
  - Annual child / family training session

- **Annual review Year 2**
  - Organise review
  - Meet with child / family
  - Document review outcomes

- **Support Year 3 +**
  - Contact - each quarter
  - 1, 2, 3, 4
  - Annual child / family training session

- **Annual Review Year 3 +**
  - Organise review
  - Meet with child / family
  - Document review outcomes

- **Exit**
  - Make contact
  - Conduct exit interview
  - Update and/or close file

**Volunteer - matching and support process**

- **Intake**
  - Receive enquiry
  - Enter into database
  - Send information package
  - Follow up referral
  - Information session
  - Receive application
  - Open file

- **Assessment**
  - Follow up the application / organise interview
  - Conduct interview 1
  - Conduct police checks
  - Health reference checks
  - Preparation for interview 2
  - Conduct interview 2 (in home)
  - Conduct home and safety check
  - Provide training session 1
  - Provide training session 2
  - Document assessment outcomes

- **Matching**
  - Source suitable match
  - Undertake additional specific recruitment (if required)
  - Discuss match at case meeting
  - Organise for volunteer to visit child and family
  - Support the first introductory visit
  - Follow up / communication after introductory visit
  - Update files
  - Provide any additional family specific (non-transferable) training
  - Organise first independent visit
  - Follow up / communication after first independent visit
  - Confirm ongoing arrangements

- **Support Year 1**
  - Contact - months
  - 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12

- **Annual review Year 1**
  - Organise review
  - Meet with volunteer
  - Document review outcomes
  - Annual volunteer training session

- **Support Year 2**
  - Contact - each quarter
  - 1, 2, 3, 4
  - Annual volunteer training session

- **Annual review Year 2**
  - Organise review
  - Meet with volunteer
  - Document review outcomes

- **Support Year 3 +**
  - Contact - each quarter
  - 1, 2, 3, 4
  - Annual volunteer training session

- **Annual Review Year 3 +**
  - Organise review
  - Meet with volunteer
  - Document review outcomes

- **Exit**
  - Make contact
  - Conduct exit interview
  - Update and/or close file
Process - Child and family

Intake process

The process commences when an enquiry is received or a referral made in relation to a child and family seeking support. In response to this initial enquiry the Interchange provider determines eligibility and enters basic information about the referral or enquiry into a database and sends an information package about the host program to the person. The Interchange provider then re-contacts the person to ensure they have received the information package and to discuss the person’s interest and a range of options in proceeding. The person’s situation and initial presenting needs may be discussed at an intake, case or team meeting, to ensure a shared understanding and accountable, transparent decision making. A case file is opened and activated in accordance with policies and procedures and to comply with standards and quality processes.

Assessment process

A comprehensive screening and assessment process is conducted to gain an in-depth understanding of the child’s needs and family preferences, criteria and goals for receiving support through the host program. This is essential to understanding the child and family (including their care and support needs, values, preferences, diversity, dynamics, personalities and traits) and thus being able to facilitate a successful match with a host family.

Effective assessment processes rely on staff who are highly skilled and experienced in understanding and interpreting a child and their family’s needs, how these needs may best be supported through a host family, and the intricacies and insights of achieving successful and enduring matches. The assessment process may occur over several visits and includes:

- a detailed assessment of the child (supports, routines, preferred activities, behaviour, medication, skills development, social and recreational activities etc)
- an understanding of the family culture, dynamics, preferences, support networks, and capacity
- considerations of OHS, safety and risk management.

The outcome of the assessment process is an agreed support/participation plan about the type of volunteer support required, a profile of the required volunteer, and action to be taken.

Matching process

The Interchange provider then proceeds to source a host volunteer that meets the desired profile. The volunteer may be sourced from within an existing pool of volunteers or additional specific recruitment may be required. Potential volunteers are identified as potential matches for the child/family and then discussed by the assessment staff/volunteer coordinator at a team or case meeting to ensure informed discussion making, risk management and quality processes.

The child/family are then contacted and the potential volunteer discussed. Arrangements are made by Interchange for the child/family to have a preliminary meeting with the proposed volunteer host. After the visit the Interchange provider contacts the child/family to determine their response to the proposed volunteer and to agree on the next steps.
Where the child/family has a positive response to the volunteer the next step is typically an independent meeting (i.e. between the child/family and volunteer host) and may occur at either the family's or volunteer host's home or other setting. Following this meeting the Interchange provider again contacts the child/family to determine their response to the proposed volunteer and to agree on the next steps.

Where the meetings have been positive the ongoing arrangements are confirmed and the level of flexibility negotiated between the child/family and host volunteer (i.e. frequency of host arrangements, dates, times). This is documented in the form of a plan/agreement that is agreed by all parties. A date is set for the next contact.

Throughout this process case files are maintained and progress reported at team meetings. The family and volunteer sign a record of care form or similar that is used for data collection and reporting purposes.

Waiting list support is provided so that where a host family is not available, the child/family is actively monitored and provided with other support options (e.g. recreation programs, camps, sibling groups, social events, holiday programs etc) in the interim and until a suitable host family is recruited, trained and so forth.

Support process

Following a successful match the child/family and volunteer continue to receive a level of episodic support through the first and subsequent years. The level of support is influenced by the complexity of the child/family needs and arrangements with their host family.

Support to the child/family and volunteer is most intensive during the first year - typically once per month following the match, to closely monitor the success of the match and assist with addressing any issues should they arise. The support is then reduced to monthly or quarterly support during the second and subsequent years, with the capacity to adjust the level of support in response to any changes in circumstances.

For example, increased support may be necessary during periods of transition across life stages, or as family circumstances change. The flexibility, experience and skill of the Interchange Volunteer Coordinator to provide this support on an as-needed basis, and which may be highly variable over time, is fundamental to supporting the enduring nature of successful matches.

An annual review is conducted to ensure that the match continues to be successful and that the child/family supports needs are being met and that the volunteer is able to continue in their role.

Rematch process

In some situations a rematch or subsequent volunteer may be sought. Reasons for this include a change in situation of the child and family, or volunteer related factors (e.g. relocation, retire as a volunteer, health or other issues etc).

Where this occurs, and the child/family wishes to have a new volunteer host, the matching process re-commences.

Exit process
A child/family exits the host program when they determine that they no longer wish to receive volunteer host support. This process involves exit interviews and administrative processes.

**Process - Volunteer**

Similar to the process with the child and family, there is a comprehensive process that underpins the successful recruitment, screening, assessment, matching and supporting of volunteers. It is designed protect the vulnerability of, and minimise any risks to, the child/family achieving the desired outcome of a quality, sustainable match with a volunteer host family.

The majority of time and effort is expended prior to and in the first year of the match.

**Intake process**

Enquiries from potential volunteers occur in response to a range of publicity and recruitment processes. In response to the enquiry the Interchange provider enters basic information about the potential volunteer into a database and sends an information package about the host program to the potential volunteer. This includes a volunteer host position description that outlines mandatory and other requirements, roles and responsibilities and other important information. The Interchange provider then re-contacts the potential volunteer to ensure they have received the information package and to discuss the person’s interest and invite them to an information session. Following the information session, and pending the person’s interest, a written application is received and a volunteer file opened and activated.

**Screening and assessment process**

A comprehensive screening and assessment process with the potential volunteer is conducted. This typically includes a series of screening and assessment interviews that explore suitability for the role of host family, attitudes, values, preferences, experience and training needs. A suite of safety checks includes police and working with children checks, health reference checks, referee checks and a safety check of their home and surrounds. This comprehensive screening and assessment process is critical to managing risk and ensuring child safety in accordance with child safe policies and practices.

The potential volunteer is provided with induction training over one or more training sessions (e.g. first aid, OHS, rights and responsibilities, child safe environments, risks, incident reporting, communications, review processes and so forth). All screening and assessment processes and outcomes are documented for approval by senior management.

**Matching process**

The volunteer is then provisionally matched with a child/family and discussed by the assessment staff/volunteer coordinator at a team or case meeting to ensure informed discussion making, risk management and quality processes.

The volunteer is then contacted and the potential child/family discussed. Arrangements are made by Interchange for a preliminary meeting between the volunteer and child/family. After the visit the Interchange provider contacts the volunteer to determine their response to the proposed child/family and to agree on the next steps.
Where there is a positive response the next step is typically an independent meeting (i.e. with between the child/family and volunteer host) and may occur at either the family’s or volunteer host’s home or other setting. Following this meeting the Interchange provider again contacts the volunteer to determine their response to the proposed child/family and to agree on the next steps.

Where the meetings have been positive the ongoing arrangements are confirmed and the level of flexibility negotiated between the child/family and host volunteer (i.e. frequency of host arrangements, dates, times). This is documented in the form of a plan/agreement that is agreed by all parties. A date is set for the next contact.

Throughout this process case files are maintained and progress reported at team meetings and monitored by managers.

**Support process**

Following a successful match the volunteer and child/family continue to receive a level of episodic support through the first and subsequent years. The level of support is influenced by the complexity of the arrangements and level of support desired by each participant in the arrangement.

Support to the volunteer is most intensive during the first year - typically once per month following the match, to closely monitor the success of the match and assist with addressing any issues should they arise. The support is then reduced to quarterly support during the second and subsequent years, with the capacity to increase the level of support in response to any changes in circumstances.

An annual review is conducted to ensure that the match continues to be successful and that the volunteer is able to continue in their role.

**Rematch process**

In some situations a rematch may be sought by the volunteer host family and supported by Interchange (e.g. the original child/family no longer requires support).

Where the volunteer wishes to continue as a host family volunteer, the matching process recommences with a new child/family.

**Exit process**

A volunteer exits the host program when:

- the child/family determine that they no longer wish to receive formal, organised volunteer host support through the Interchange Host Program (in some cases an informal relationship will continue, such as invitations to host family events, exchange of birthdays cards etc, outside of the formal Interchange program)
- there is unanticipated discontinuity in the suitability of the match, for example due to changes in family structure, dynamics or volunteer circumstances
- the volunteer no longer has the capacity or willingness to provide the support.

These processes involve communication with both parties, potential negotiations, exit interviews and administrative functions.
Figure 4: Supporting Susan

**About Susan**

**Individual**

Susan met her host family when she was four years old. She has enjoyed their ongoing support for the past 21 years, and now at the age of 25, considers them to be her second family.

She has acquired many life skills and developed new interests and social networks through inclusion with the host family and everyday activities.

Susan participates in family celebrations, works with her host father around the house, and interacts with her host siblings, one of whom she shares a particular friendship and interest in motorbikes. She is considered part of the family.

*‘We always look forward to seeing Susan and having her sleep over.’*

**Support**

**Benefits**

Susan is now part of an intergenerational host family and social network that includes nine grandchildren.

The Interchange Host Program has been instrumental in achieving a supportive and inclusive network that has been sustained across generations and over time.

Figure 5: Supporting Beth

**Supporting Beth**

**Individual**

Beth, her parents and an older sibling, have an intellectual disability as well as a range of physical support needs. At eight years of age she was linked with a volunteer host family to provide support to the family in her care and experience the benefits of a second family.

Beth has acquired many life skills and developed new interests and social networks through inclusion with the host family and everyday activities.

The host family has provided ongoing support over the past ten years, including through periods of parental illness when the family was particularly vulnerable and at risk of emergency out-of-home respite care.

*‘Beth will be turning 18 in February and we have been blessed to have her in our lives. We know our friendship will be ongoing.’*

**Support**

A flexible, practical and supportive approach has enabled health, hygiene and nutrition to be maintained in liaison with other in-home supports.

**Benefits**

Beth has developed a lifelong friendship with her host family, and enjoys an individualised, rich and meaningful experience.

The host family support arrangements have periodically diverted the need for out-of-home care and have provided flexible support that is stable, reliable, trusted, meaningful and valued by the participant.
2.4 Outcomes and benefits

In the 2012-13 year host family volunteers provided over 120,000 hours of volunteer support, generating benefits for individuals, the broader community and government. Volunteer hosts are as diverse as the children/families they support. They may be single people, couples or families. They provide support ranging from a few hours to a monthly weekend overnight stay. Practice-based evidence clearly indicates long term enduring matches with ongoing and substantial inclusion of the person in their host family’s life and events (see case vignettes through this report).

A range of tangible and intangible benefits are generated by the arrangements for the participants. However it is the intangible benefits that tend to define and differentiate the success of the approach in comparison to paid fee for services. Examples of benefits for participants include:

- intangible benefits: mutual respect, sense of belonging, being valued, friendship, emotional support, enjoyment
- tangible benefits: shared care, affordability, reduced risk of relinquishment and/or out-of-home care, regular break for parents and other family members thus contributing to a healthy resilient family, stability of support network, experience of new environments, inclusion in networks beyond the person’s own family and with another local community.

Whilst over time the focus has changed from one of respite for the family to one of family and community inclusion for the child (participant) with individualised outcomes, benefits for the broader community and government are also realised.
The Interchange Host Program thus realises a suite of overlapping benefits in accordance with the intention of the NDIS – to the participant through person-centred support reflecting choice and control; and to the broader community and the economy.

The value of the Interchange Host Program is explored in the next chapter.
3 Valuing volunteer services

3.1 Methodological approaches - Introduction

Measuring the contribution that volunteers make to society is important as it enhances the visibility of volunteer work to government and the community and can encourage others to become volunteers. While it is recognised that the contribution of volunteers is significant, it is difficult to measure the exact value of that contribution.

A December 2012 report commissioned by the Department of Planning and Community Development (DPCD) titled *The Economic Value of Volunteering in Victoria* discusses the following three methods of putting a monetary value on the benefits of volunteering.

3.2 VIVA

The Volunteer Investment and Value Audit (VIVA) method measures the value of the resources used to support volunteers and is expressed as a ratio of the value of volunteer time and the value invested in volunteers to produce a dollar return in the value of the volunteers contribution.

3.3 Pricing based on market value

The market value pricing method counts the specific outputs and then values these outputs at market prices of comparable services.

3.4 Value based on market wage

The market wage method values the time spent on volunteering work by using comparable wage rates such as an ‘opportunity cost’ (the wage obtainable if the volunteer had spent the time in paid work); a ‘specialist wage’ (the wage needed to pay for a specialist to perform the activity of the volunteer); and a ‘generalist wage’ (the wage needed for a general worker to perform the activity of the volunteer).

On the basis that the Australian Bureau of Statistics has used market wage methods to value volunteer and community work, and in the absence of any further published data, the DPCD report used the gross opportunity cost wage to estimate the annual value of volunteering time in Victoria.

The DPCD report projected an opportunity cost wage rate in 2011 of $28.99 per hour and in 2016 of $34.89 per hour. Using an approximate mid-point for 2014 of $32.50 per hour and an estimated 120,000 Interchange volunteer hours, the value of the Interchange Host Volunteer program is approximately $3.9 million.

While this information is important as a measure of the value of the contribution made by volunteers, the actual cost to deliver the volunteer host program services is required to determine how a volunteer supported service model such as the Interchange Host Program can be incorporated into the NDIS pricing mechanism.
3.5 Value of the Interchange Host Program

This section provides an analysis that was conducted using actual cost based pricing from a sample group of five providers in the Interchange Host Program.

The method has been based on:

- a full cost recovery approach based on financial information provided
- definition of the component elements of the service as per section 2.3
- an estimate of the minutes/hours per element, based on a review of actual time spent on each element by each organisation
- the actual costs calculated on an hourly basis (inclusive of labour, corporate, overheads, other costs)
- a calculation of the average cost per component element
- a calculation of the average per cent of the overall cost.

Due to the commercial sensitivity of financial information, dollar figures have not been included in this report and calculations have been represented as percentages or time (based on the actual dollar figures not shown).

The cost, and therefore proportion, per component element is variable across organisations due to the following factors:

- the number of new matches each year and the number of existing matches being supported vary across the sample of providers
- the cost structures and overhead allocation methodologies differ between organisations
- the difference between metropolitan and regional and rural areas in relation to travel and accommodation expenditure.

It is important to note that the proportion of total business the Interchange Host Program represents to each organisation ranges from two to 75 per cent. This has a significant impact on the viability of the different options as discussed later in the report.

Because the ability to make a successful match is highly variable and uncertain until a suitable volunteer host family has been sourced, the practicality and feasibility of individualised funding would be problematic, particularly for those organisations where the program accounts for a large proportion of their total revenue. Without base funding, such organisations would not have the certainty or confidence required to employ volunteer coordinators and associated staff and therefore the capacity to recruit volunteers and deliver the service when it was requested by individual participants.

To pay for equivalent support would cost many thousands of dollars per year. But the value is so much higher - the real benefits are the relationships, friendships and inclusion - which are simply priceless.
The example below is based on a person from the point of enquiry, through screening, assessment and matching that occurs in the first year, thus reflecting the majority of expenditure.

**Table 1: Interchange Host Program – Indicative example year 1**

<table>
<thead>
<tr>
<th>Activity item – examples only</th>
<th>Approximate per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volunteer intake (e.g. enquiry, database entry, information)</td>
<td>4</td>
</tr>
<tr>
<td>Volunteer screening and assessment (e.g. interview, police checks, home and safety check, risk assessment, training sessions)</td>
<td>15</td>
</tr>
<tr>
<td>Volunteer matching</td>
<td>12</td>
</tr>
<tr>
<td><strong>Sub-total</strong> volunteer intake, screening, assessment and matching</td>
<td><strong>31%</strong></td>
</tr>
<tr>
<td>Participant eligibility, intake, screening, assessment and matching</td>
<td>22</td>
</tr>
<tr>
<td>Specific training – for volunteer and participant</td>
<td>9</td>
</tr>
<tr>
<td>Year 1 support and first annual review</td>
<td>28</td>
</tr>
<tr>
<td>Support to people awaiting matches only</td>
<td>10</td>
</tr>
<tr>
<td><strong>Sub-total</strong> per participant eligibility, intake, screening, assessment, matching, year 1 support and annual review</td>
<td><strong>69%</strong></td>
</tr>
<tr>
<td><strong>Total</strong> enquiry, screening, assessment, matching and year 1 support and review</td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

The match continues for another five years, with annual support and annual review for each year.

**Table 2: Interchange Host Program – Indicative example years 2 - 5**

<table>
<thead>
<tr>
<th>Activity item – examples only</th>
<th>Approximate per cent over 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support existing matches</td>
<td>52</td>
</tr>
<tr>
<td>Annual review and annual training</td>
<td>13</td>
</tr>
<tr>
<td><strong>Sub-total</strong> annual support, training and review</td>
<td><strong>65%</strong></td>
</tr>
<tr>
<td>Rematch (if required)</td>
<td>25</td>
</tr>
<tr>
<td>Exit</td>
<td>10</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td><strong>35%</strong></td>
</tr>
<tr>
<td><strong>Total</strong> Year 2 – 5 support and review</td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
As shown in the indicative figure below, the majority of effort, and therefore costs, are expended prior to and in the first year of the match, with reduced expenditure in subsequent years. This represents distribution of hours in general and may vary due to individual circumstances.

**Figure 7: Relative investment in time over five year period**

![Graph showing relative investment in time over five years](image)

**3.6 Commentary**

The Interchange Host Program is consistent with an insurance approach with an initial investment to establish supports, with a diminishing cost over time, whilst generating ongoing benefits realised over multiple years for participants.

While the analysis above is based on a small sample group, it has been used to consider how the Interchange Host Program could be funded and incorporated into the NDIS.

The next chapter of this report describes the options for such.
4 Fit within the NDIS

4.1 Introduction

The Interchange Host Program is currently funded by the Home and Community Care (HACC) program.

The funding enables Interchange providers to conduct the recruitment, screening, assessment, selection, training, matching, communication and monitoring of volunteers, and manage the ongoing quality of the program, at both an individual and programmatic level.

Within an NDIS context, the options for funding considered in this business case are:

- Tier 2 funding – block funding, referred to as capacity building funding in this report
- Tier 3 funding – individualised funding
- a combination of Tier 2 and Tier 3 funding.

4.2 Option A - Tier 2 funding

Tier 2 funding is conceptualised as non-individualised, capacity building funding that can build the capacity and adequacy of the service system. For example, through provision of advice and information, linkages with mainstream services, community engagement, enhancing collaboration between stakeholders, ensuring that rural participants have sufficient available options, and providing a continuity of service during transition to the NDIS.

Tier 2 funding for the Interchange Host Program would enable a focus on capacity building and community engagement with volunteers in order to facilitate NDIS participant ready access to a pool of volunteer hosts.

Tier 2 funding would be congruent with the points articulated in The Place for Block Funding in the NDIS (National Disability Services, December 2013), that describes six objectives to be met to justify Tier 2 funding.

These objectives are noted below with comments in the context of the Interchange Host Program. The term ‘capacity funding’ is used to emphasise the focus on the development of broader capacity as well as strengthening choices for NDIS participants.

a) Invest in timely information, advice and community development support

Capacity building funding for the coordination of the Interchange Host Program can ensure early and community-based support such as information provision, advice, referral and community development. This service is delivered to a public audience and the person requiring support may not yet be an NDIS participant. In some cases, by assisting NDIS participants to link with host families and other mainstream services, the Interchange Host Program may reduce reliance on Tier 3 supports.

b) Support the ongoing production of social capital

Targeted grants or capacity funding to the volunteer host coordination organisations can generate the creation and nurturing of mutually supportive relationships between NDIS participants and volunteers. This in turn can contribute to social
norms based on relationships, reciprocity, trust, acceptance and valuing of diversity. The Interchange Host Program can thus contribute positively to social capital.

c) **Seed innovation, research and evaluation to identify and build good practice**

Capacity building funding can enable research, evaluation, new service models and innovations, thus contributing towards improved outcomes and efficiency. These processes can promote collaboration and beneficial outcomes between providers and participants. Interchange Inc. implements the important central role of community information, promotion and education, (such as television and radio advertising for host families), research, development, collaboration and innovation between Interchange providers to ultimately improve outcomes for NDIS participants.

d) **Ensure reasonable and necessary support options where markets are thin**

NDIS participants from regional and rural locations may have limited support options and reduced ability to exercise choice. The use of capacity building funding in these small markets can assist to ensure sufficient support options are available to participants. Data analysis has indicated that there is a minimum level of viability for the Interchange Host Program, and therefore capacity building funding can counteract this and ensure service viability and therefore choice for NDIS participants.

e) **Expand knowledge of options and enable informed choice**

Capacity building funding can assist to expand the pool of volunteers, and therefore the choice of host families and the flexibility of arrangements available to NDIS participants.

f) **Sustain and build service capacity during transitions**

Transition to the NDIS is known to be challenging for service provider organisations who are required to adapt their business models, employment structures and service delivery paradigms. It is in the interests of NDIS participants that there is a level of service continuity and that market choice in relation to service provision is enhanced (rather than eroded). Capacity building funding can continue towards a sustainable and seamless level of service provision during transition to the NDIS.

The analysis of a sample of the Interchange Host Program entities summarised in 3.5 above indicates that the program could be resourced through Tier 2 capacity building funding.

The following items, descriptions and indicative hours provide an example of how this could occur.
Table 3: Option A - Tier 2 sample items and indicative pricing

<table>
<thead>
<tr>
<th>Support item (Tier 2 - Capacity funding)</th>
<th>Description</th>
<th>Unit of measure</th>
<th>Time (Hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity building to identify and develop a pool of volunteer supports</td>
<td>The setting up of a pool of volunteer hosts to be accessed by NDIS participants. Includes volunteer recruitment, screening, assessment, safety checks, coordination, core training and volunteer group activities.</td>
<td>Annual EFT and overheads per 20 volunteers</td>
<td>400</td>
</tr>
<tr>
<td>Preparatory processes for NDIS participants seeking volunteer support</td>
<td>Necessary intake, screening, assessment and pre-match processes for NDIS participants pre-requisite to a match with a volunteer host family, including linking with other services and supports whilst waiting for a match.</td>
<td>Annual EFT and overheads per 10 participants</td>
<td>340</td>
</tr>
<tr>
<td>Linking volunteer supports to NDIS participants</td>
<td>Facilitating new matches between NDIS participants and volunteers, including support and annual review process.</td>
<td>Annual EFT and overheads per 5 matches</td>
<td>230</td>
</tr>
<tr>
<td>Managing and monitoring volunteer supports to NDIS participants</td>
<td>Supporting existing matches including annual support and review processes with NDIS participants and volunteers</td>
<td>Annual EFT and overheads per 15 volunteers</td>
<td>600</td>
</tr>
<tr>
<td>Expenses</td>
<td>Capacity building to reimburse volunteer costs and expenses</td>
<td>Annual</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

Capacity building funding to an organisation would comprise these four elements plus the reimbursement of volunteer expenses.

As shown above, using a Tier 2 capacity building funding hypothetical example above, an Interchange Host Program provider could hypothetically receive an approximate annual amount equivalent to 1,570 hours of volunteer support for:

- developing a pool of 20 volunteers
- intake, assessment and pre-matching processes for 10 participants
- facilitating five new matches between participants and volunteers, and
- supporting 15 existing matches.

In summary, using a Tier 2 capacity building funding approach would:

- build the social capacity of the community through the engagement and support of volunteers
- build the capacity of service providers to respond to the needs of NDIS participants
- provide continuity for existing matches supporting NDIS participants and continue to support high quality service provision.
4.3 Option B – Tier 3 individual funding

The analysis of a sample of the Interchange Host Program entities summarised in 3.5 above indicates that, in theory (but not practically), elements of the host volunteer program could be funded on an individualised basis.

A key question with individualised funding is the extent to which this would negatively impact the underlying paradigm of volunteer support. For example, the extent to which the payment for service would disrupt the tangible and intangible benefits which accrue to the participants. Payment for the service changes the underlying paradigm so that it is no longer volunteer based, and it becomes a commercial transaction, thus changing the relationship dynamic. As a paid for, rather than voluntary service, the willingness to volunteer by the host family may be changed, and the important sense of reciprocity and friendship forfeited. In addition, the desire for a host family may be aspirational and unable to be realised for some participants.

In the example below, all components of the program, including volunteer sourcing, screening, assessment, matching, support and review functions are defined. The following cluster definitions and indicative hours provide an example of how this could occur.

Table 4: Option B - Tier 3 sample cluster definitions and indicative pricing

<table>
<thead>
<tr>
<th>Support item (Tier 3 - individual funding)</th>
<th>Description</th>
<th>Unit of measure</th>
<th>Time (Hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volunteer setup and matching activities</td>
<td>The setting up of access to, and establishment of volunteer support (i.e. recruitment, intake, screening, assessment, matching) through a host family to strengthen the participant's ability to develop and participate in new social and life enhancing networks.</td>
<td>Each (per match)</td>
<td>53</td>
</tr>
<tr>
<td>Support for individual life, personal and social skills development outside of the family network</td>
<td>Ongoing provision of support to a participant, while waiting for and/or receiving a match, to enable a participant to engage in family, community and social activities. Coordination and regular liaison with host families and volunteers for review (Year 1).</td>
<td>Annual</td>
<td>47</td>
</tr>
<tr>
<td>Support and volunteer management and review activities</td>
<td>Undertaking annual support and review activities with the NDIS participant and volunteer host (Year 2 onwards).</td>
<td>Per review</td>
<td>40</td>
</tr>
<tr>
<td>Social and activity costs with host family, and non-transferable training.</td>
<td>Reimbursement of approved costs to host family to enable a participant to engage in community, family, social and recreational activities, without which the participant would be excluded. Reimbursement of specialist non-transferable training.</td>
<td>Each</td>
<td>$ 200</td>
</tr>
</tbody>
</table>

As shown above, using a Tier 3 funding approach, an Interchange Host Program provider could hypothetically receive an approximate equivalent funding amount of:
• 100 hours in the first year for the matching, support and review processes for a single NDIS participant; plus 40 hours per year to support and review an existing match with a single NDIS participant.
4.4 Option C – Combination

A third funding option is a combination of capacity building funding (Tier 2) and individualised funding per NDIS participant (Tier 3). The analysis of a sample of the Interchange Host Program entities summarised in 3.5 above indicates that the elements of the host volunteer program could be funded through a combination approach.

Tier 2 capacity building funding could be used for those activities that are arguably beyond a single NDIS participant, such as to publicise, source and provide core training to volunteers, support of waiting lists, innovative development and quality improvement; and Tier 3 individual funding could be used for service components specific to an individual such as child/family assessment, matching, non-transferable volunteer training, support, reviews and so forth.

The key issue in relation to this option is whether it is feasible to include any aspects of individual funding and the extent to which this would negatively impact the underlying paradigm of volunteer support and disrupt the tangible and intangible benefits which accrue to the participants (as noted under 2.3).

Two options (C1 and C2), that are both combination approaches are described below.

| Table 5: Combined Tier 2 and 3 sample items, definitions and indicative pricing |
|---|---|---|---|---|
| **Support item** | **Tier 2 - Capacity** | **Tier 3 - Individual** | **Description** | **Unit of measure** | **Time (Hours)** |
| Capacity building through identification and development of pool of volunteer supports. | ✓ | | The setting up of a pool of volunteer hosts to be accessed by NDIS participants. Includes volunteer recruitment, screening, assessment, safety checks, coordination, core training and volunteer group activities. | Annual (per 10 volunteers) | 200 |
| Selecting and matching with a volunteer host and providing support. | ✓ | | Supporting an NDIS participant to choose and match with a host family to strengthen the participant’s ability to develop and participate in new social and life enhancing networks, including whilst waiting for a match. | Annual (per 5 participants) | 225 |
| Annual review activities. | | ✓ | Undertaking individual, standard (non-complex) annual review activities with the NDIS participant and volunteer host (Year 1). | Each | 35 |
| Social and activity costs with host family. | | ✓ | Reimbursement of approved costs to host family to enable a participant to engage in community, family, social and recreational activities, without which the participant would be excluded. | Each | $ 200 |
| Specialist training. | | ✓ | Provision of specialist non-transferable training to the volunteer host family. | Each (per match) | 10 |
As shown above, in this combined option C1, an Interchange Host Program provider could hypothetically receive:

- Tier 2 funding equivalent to 200 hours per annum to develop and train a pool of 10 volunteers in advance so that the ability to make a match in a timely manner is enhanced for the NDIS participant; plus 225 hours (plus specialist training and reimbursement costs) for 5 new matches; plus 1,000 hours for ongoing liaison and support to sustain 25 existing volunteer matches.

- Tier 3 funding equivalent to 35 hours per NDIS participant for supporting the match and the review process in the first year; plus 10 hours for specialist training for the host family.

**Table 6: Option C2 - Combined Tier 2 and 3 sample items, definitions and indicative pricing**

<table>
<thead>
<tr>
<th>Support item</th>
<th>Tier 2 - Capacity</th>
<th>Tier 3 - Individual</th>
<th>Description</th>
<th>Unit of measure</th>
<th>Time (Hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity building through identification and development of pool of volunteer supports</td>
<td>✓</td>
<td></td>
<td>The setting up of a pool of volunteer hosts to be accessed by NDIS participants. Includes volunteer recruitment, screening, assessment, safety checks, coordination, core training and volunteer group activities.</td>
<td>Annual - EFT and overheads per 20 volunteers</td>
<td>400</td>
</tr>
<tr>
<td>Preparatory processes for a NDIS participant seeking volunteer support</td>
<td>✓</td>
<td></td>
<td>Necessary intake, screening, assessment and pre-match processes for NDIS participants pre-requisite to a match with a volunteer host family, including linking with other services and supports whilst waiting for a match.</td>
<td>Annual - EFT and overheads per 10 participants</td>
<td>340</td>
</tr>
<tr>
<td>Innovative support and review activities.</td>
<td>✓</td>
<td></td>
<td>Supporting an NDIS participant to choose and match with a host family to strengthen the participant’s ability to develop and participate in new social and life enhancing networks. Ongoing support activities including individual, annual review activities with the NDIS participant and volunteer host (Year 1).</td>
<td>Annual - each (or pro rata per month)</td>
<td>46</td>
</tr>
<tr>
<td>Social and activity costs with host family.</td>
<td>✓</td>
<td></td>
<td>Reimbursement of approved costs to host family to enable a participant to engage in community, family, social and recreational activities, without which the participant would be excluded.</td>
<td>Each $ 200</td>
<td></td>
</tr>
<tr>
<td>Specialist training</td>
<td>✓</td>
<td></td>
<td>Provision of specialist non-transferable training to the volunteer host family.</td>
<td>Each</td>
<td>10</td>
</tr>
<tr>
<td>Support item</td>
<td>Tier 2 - Capacity</td>
<td>Tier 3 - Individual</td>
<td>Description</td>
<td>Unit of measure</td>
<td>Time (Hours)</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------</td>
<td>---------------------</td>
<td>-------------</td>
<td>-----------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Capacity building to support, maintain and sustain volunteers</td>
<td>✓</td>
<td>Coordination and regular liaison with volunteer hosts to support and sustain existing matches (Year 2 onwards).</td>
<td>Annual (Per 15 volunteers)</td>
<td>600</td>
<td></td>
</tr>
</tbody>
</table>

As shown above, in this combined option C2, an Interchange Host Program provider could hypothetically receive:

- Tier 2 funding equivalent to 200 hours per annum to develop and train a pool of 10 volunteers in advance so that the ability to make a match in a timely manner is enhanced for the NDIS participant; plus 340 hours per annum to screen, assess and pre-match 10 NDIS participants and provide support whilst waiting for a match; plus 600 hours for ongoing liaison and support to sustain 15 existing volunteer matches.
- Tier 3 funding equivalent to 46 hours per NDIS participant for supporting the match and the review process in the first year; plus 10 hours for specialist training.

### 4.5 Commentary

The above options indicate that it is theoretically possible, although not practical or beneficial, for the Interchange Host Program to be funded under any of the three options presented above.

The Interchange Host Program is highly prized and highly valued by people for whom successful matches have been achieved. Achieving a successful match is dependent on multiple variables, some of which are out of control of the program, such as the availability and willingness of host families who are prepared to make the significant commitment required. Because of the aspirational nature of the program, and the likelihood of making successful matches for some participants but not others, it is unrealistic to expect that the program can be individually funded.

The demand for host families is high with the sample group of service providers reporting extensive waiting lists for host families. The most valuable component in the process but the most time consuming and therefore costly is the recruiting, screening, assessment and matching of volunteers with participants. The comprehensive screening, assessment and matching processes, training and first year of support are vital to ensure a successful match.

From the examination of the sample of service providers it is clear that a minimum level of EFT positions is required to create up to 10 new matches and manage between 20 and 50 existing matches per annum. Tier 2 capacity building is necessary to ensure a level of minimum viability, particularly for smaller service providers in rural areas.
The data analysis undertaken indicates that whilst it may be theoretically possible for the Interchange Host Program to be funded through the NDIS under various options, capacity building funding is the most practical for the duration of the trial.

Further data and analysis (including financial analysis) is required to confirm whether, in the longer term, a combination approach (i.e. capacity building funding combined with individual funding) would be suitable and could enable an increased service capacity to respond to the strong demand for the Interchange Host Program.

The following analysis provides a summary of the strengths and weakness of each option.

The Interchange Host Program is high prized and highly valued by people for whom successful matches have been achieved.
<table>
<thead>
<tr>
<th>Option</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option A: Capacity building funding - Tier 2</td>
<td>Enables a focus on capacity building and community engagement with volunteers. Provides a base viability, certainty and cash flow for organisations to employ staff to deliver the service. Ensures probity and the minimal required capacity for viable service delivery. Provides a ready pool of volunteers (in advance) to respond to demand from NDIS participants. Supports high quality, screening, assessment, support. Enables flexibility, creativity and innovation in service provision support and arrangements. Differentiates between paid and volunteer service. Supports high quality, screening, assessment, support. Enables flexibility, creativity and innovation in service provision support and arrangements. Differentiates between paid and volunteer service. Supports high quality, screening, assessment, support. Enables flexibility, creativity and innovation in service provision support and arrangements. Differentiates between paid and volunteer service. 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<td>May not be perceived as ’NDIS-like’ as funds are not tagged to individual NDIS participants. May limit capacity for growth in response to demand. Need to determine measures and reporting.</td>
</tr>
<tr>
<td>Option B: Individual funding - Tier 3</td>
<td>Fits with NDIS individual support approach. Transparent to individual NDIS participants. May increase value and recognition of volunteer support as a listed support as it is in the pricing list and tangible to planners.</td>
<td>Potential for decreased quality and increased risk to participants as a result of reduced barriers to entry by service providers. Spreads volunteers more thinly. Reduced capacity to respond in a timely manner. Unpredictability of matches - may not achieve viability or critical mass to deliver service. May reduce innovation and flexibility through collaboration between providers. Placing a rate or hourly fee detracts from the purpose and ethos of volunteering and the associated values of friendship and reciprocity. Family paying for a voluntary service. Disrupts tangible and intangible benefits. Paradigm shift as a result of the change from a voluntary to a paid service will limit the flexibility of the response and reduce the social capital. Would require new items to be defined, costed and added to the pricing schedule. Would require extensive promotion and education to planners to enable planners and families to understand and purchase the service. Complexity in defining, funding and reporting the number of new, awaiting and existing matches.</td>
</tr>
<tr>
<td>Option C: Combination - Tiers 2 and 3</td>
<td>Fits with NDIS individual support approach. Transparent to individual NDIS participants. Increases value and recognition of volunteer support as a listed support as it is in the pricing list and tangible to NDIA planners. Manages weaknesses inherent in Option A and B and provides a viable, commercial approach. Promotes and enables self defined and flexible matches and arrangements and fits with NDIS inclusion model.</td>
<td>Risk of complex reporting. Risk of complex payment system due to combined approach.</td>
</tr>
</tbody>
</table>
5 Conclusion and recommendations

5.1 Conclusion

The Interchange Host Program plays a key role in the support and inclusion of people with a disability. It is based on a volunteer paradigm that generates multiple tangible and intangible benefits for participants. The Interchange Host Program is popular due to the flexible, individualised, self-defined, inclusive approach, and is the most requested of all Interchange programs. It is highly valued by those who are able to access volunteer host families, and is fundamentally different to fee-for-service supports.

The Interchange Host Program is based on a comprehensive volunteer screening and assessment process to ensure safety and minimise risk, and the provision of flexible support by paid volunteer coordinators. Rigorous processes underpin the high quality service, success and longevity of matches.

The Interchange Host Program is beneficial to the broader community and government, and is congruent with an insurance approach with an initial investment to establish supports, with a diminishing cost over time, whilst generating ongoing benefits realised over multiple years for participants.

The information provided in the business case demonstrates how the NDIS structure can be applied to volunteer support services such as the Interchange Host Program, and that the key elements of the program can by successfully incorporated within the NDIS.

There are a number of factors specific to the Interchange Host Program (and potentially other volunteer based services) that differ to other types of supports.

- As a volunteer based service it is inherently different from a paid service (such as respite) because there are intangible benefits, such as reciprocal friendship and mutual support. These arise from the voluntary relationship and are not expected or typically achieved through a fee-for-service approach.

- There are multiple variables and complexities that underpin the availability and success of matches, some of which are not within the control of the program (e.g. willingness of community members to be a host family). The desire to access a host family may be aspirational for some and realised for others. It is difficult to predict, and does not have the certainty of a typical commercial transaction.

- The Interchange Host Program is a participant designed, flexible niche service\(^5\), that is currently accessible to a relatively small number of NDIS participants. Whilst there is strong demand for the program, the level of funding to current providers limits their capacity to achieve and support a larger number of matches.

- The majority of effort, and therefore costs in relation to matches, are expended prior to and in the first year of the match (i.e. approximately 70 per cent in the first year of the first 2 years). There is typically reduced expenditure in subsequent years.

\(^5\) As a niche service it has limited capacity to achieve economies of scale in comparison to higher volume service types.
although the level of support is flexible in response to participant’s changing needs and transition across life stages.

- Benefits for the participant are realised over many years.

That is, the bulk of the investment is required up front and then reduces substantially, so that there is an inverse relationship to the benefits to the NDIS participants, as the benefits compound and continue to pay dividends over many years. Benefits accrue to the individual and to government, and, in accordance with the intention of an insurance scheme, it reduces ongoing liability to the insurer as it can contribute to a reduction in the cost of care and support.

The longer the duration of the match (which is in part influenced by the adequacy of the upfront investment that underpins the quality matching process) the greater the cumulative benefits and returns for the NDIS participants and the service system.

It therefore makes economic sense to invest early in a quality process (of volunteer sourcing, training and matching) to then reap the benefits that accumulate over time to the individual participant, family, community and government.

The data and examples outlined in the body of this report provide clear evidence that volunteer programs such as the Interchange Host Program can be funded through the NDIS. The analysis conducted for this business case highlights the following points in relation to the funding approach. It is based on the underlying premise that the goal is to make a sustainable and beneficial match between the NDIS participant and a volunteer host family, through the support of the Interchange Host Program. It recognises that, in comparison to paid service types, and as a volunteer based service, there is a high degree of complexity and multiple variables which impact on the availability of matches and the enduring outcomes.

- Tier 2 capacity building funding is appropriate on the basis that volunteer services are essentially a capacity building function. Capacity building funding maintains the tangible and intangible benefits of the volunteer paradigm and relationship and provides flexibility, responsiveness and viability to enable participants to self-determine their preferred arrangements. Capacity building funding enables providers to manage the multiple variables and uncertainty associated with achieving new matches and supporting existing matches, and thus reflects the aspirational nature of the service. Importantly, a capacity building funding approach would need to include the scope for growth to enable a response to the large number of people currently awaiting matches. Capacity building funding is an appropriate and practical solution for the duration of the trial period.

- Theoretically (but not practically) Tier 3 individualised funding could be used on the basis that the volunteer matches are individualised to each participant. However this approach is fundamentally problematic in that it does not manage the uncertainties implicit in the matching process, or provide the critical mass necessary for providers to underpin the quality screening, assessment and matching processes necessary for successful and enduring matches. It is unlikely to be feasible or sustainable over time. Individualised funding is contrary to the underlying philosophy of the volunteer based service. Individual payment for a volunteer based service disrupts the
underlying paradigm - the willingness to volunteer by the host family may be changed, and the important sense of reciprocity and friendship may be forfeited. Thus a Tier 3 individualised approach is likely to put at risk the essential benefits of the host program. It is less likely to achieve the benefits for either the insurer (i.e. initial investment to establish supports, with a diminishing cost over time) or the participants in terms of generating ongoing benefits that are realised over multiple years.

- A combination of Tier 2 capacity building and Tier 3 individualised funding is potentially feasible and effective over the longer term, however further analysis of data from a larger sample group is required. A combined approach could potentially encompass the benefits of broader capacity building (i.e. investment in the capacity of organisations to source, assess and train volunteers) and also provide the elasticity required to match and support varying numbers of individual participants though individualised funding for specific elements. Pending the results of further analysis, it could maintain the volunteer paradigm, provide a feasible, practical and sustainable approach for providers, and reflect an insurance approach (i.e. initial investment to establish supports, with a diminishing cost over time). However more analysis is required to determine whether or not such a hybrid approach is feasible and achievable, and whether administrative and reporting barriers could be addressed.

On balance, and taking all factors (and limitations of this project) into account, this business case concludes that capacity building funding for the duration of the trial is likely to prove most effective for NDIS participants seeking to enjoy benefits realised through volunteer support such as the Interchange Host Program.

Additional funding to increase the capacity of the program to respond to current demand for host families will contribute to its capacity to respond to those participants seeking the value and benefits of a relationship with a volunteer host family.

Whilst the working group members involved in this project acknowledged the potential for a combination funding approach (i.e. capacity building and individualised funding), further data and analysis based on a larger sample group is required to confirm the extent to which such would provide a practical and viable option for the longer term. Particular considerations are the uncontrolled variables inherent within the volunteer based model, the aspirational nature of achieving matches, increased capacity to respond to demand, and complexity of administrative and reporting requirements.

The aspirational nature of the matches and complexities implicit within a volunteer relationship are best supported by funding that builds capacity and supports innovation and flexibility.
5.2 Recommendations

Funding for the Interchange Host Program is congruent with the objectives and design of the NDIS in supporting people with a disability to pursue their goals and aspirations and participate in daily life.

The following recommendations are made in the context of the project scope and available data and intended to inform consideration of future funding under the NDIS.

Recommendation 1

That the NDIA continue full funding for the duration of the trial period to enable the high quality Interchange Host Program to continue. That the NDIA consider the findings of this business case in determining the scope, definitions and understanding of Tier 2 development.

Recommendation 2

That the selected funding approach considers and resources the number of participants awaiting matches. Whilst Interchange provides an integrated approach to supporting families awaiting matches, additional funding to that currently provided is required to increase the capacity of the host program to respond to the high level of demand for host families.

Recommendation 3

Whilst the scope of this project did not include analysis in relation to costing and pricing, cost benefit analysis, future demand projections, best value, or return on investment, it is acknowledged that such analysis will be essential to pricing decisions. It is recommended that such further analysis is conducted for a larger sample group.

Recommendation 4

That further analysis is undertaken in relation to the option of combination funding (comprising capacity building funding and individualised funding) for the longer term. This would confirm whether core capacity building functions (such as sourcing, screening, assessment and support functions) combined with some elements of funding on an individualised basis (such as specialist non-transferable training, etc.) would be achievable and beneficial.

Recommendation 5

That members of the working group use the information provided in this business case to further analyse their viability and capacity under each of the options presented over the next six months.

It is understood that further progress and decision-making will be subject to discussions and negotiations between the Victorian and Commonwealth governments in relation to the Interchange Host Program and other volunteer based service types.

For further information contact:

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